Overview of Lockheed Martin Denied Parties Screening and Export Compliance Processes

Presented by:

Yvette L. Goins

Int'l Licensing Analyst

Lockheed Martin Corporate Export/Import Office

Restricted Party Screening

- Lockheed Martin has implemented many processes for denied party screening.
  - Contracts/procurement screen parties when requesting a license or agreement
  - Empowered Officials screen parties to a license or agreement prior to submission to Corporate for processing
  - Traffic department re-screens parties when preparing shipping documentation

Manual vs. Automated

- Manual Process
  - Link within ECLPS
  - Link within CEIO Homepage
- Automated Process
  - Automatic screening when Corporate submits to USG
  - Weekly batch screenings with emails to Empowered Officials

Denied Party Screening

- Lockheed Martin uses MSR Visual Compliance for screening parties on electronic licenses

  – Submission to USG by Corporate – Real-Time Screening (implemented March 2003)

  – Weekly Batch screening with email to Empowered Official, Export Compliance Coordinators and Import Compliance Coordinators (implemented March 2003)

  – When submitted to Corporate – Real-Time Screening (implementation November 2003)
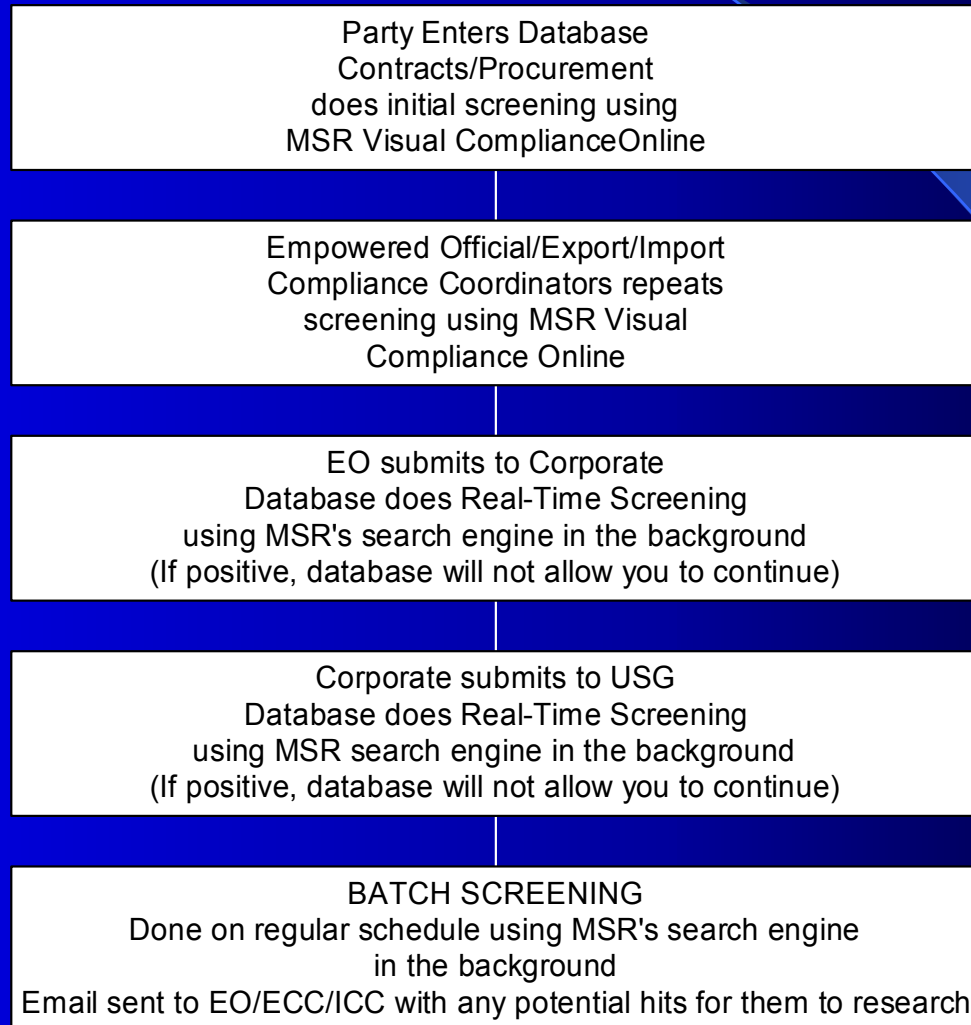
Denied Party Screening (cont'd)

- Agreement or other non-electronic submissions
  - Weekly Batch screening with email to Empowered Officials, Export Compliance Coordinators and Import Compliance Coordinators (implemented March 2003)
  - Submission to USG by Corporate – Real-Time Screening (implementation November 2003

Denied Party Screening (cont'd)

- The automated processes implemented for licenses and agreements do not eliminate the requirement for screening at other points of the program.

  – Use of consolidated online tools improved compliance, discovery of potential issues, and reduced the number of voluntary and directed disclosures

Current Automated Screening Process

Party Enters Database
Contracts/Procurement
does initial screening using
MSR Visual ComplianceOnline

Empowered Official/Export/Import
Compliance Coordinators repeats
screening using MSR Visual
Compliance Online

EO submits to Corporate
Database does Real-Time Screening
using MSR's search engine in the background
(If positive, database will not allow you to continue)

Corporate submits to USG
Database does Real-Time Screening
using MSR search engine in the background
(If positive, database will not allow you to continue)

BATCH SCREENING
Done on regular schedule using MSR's search engine
in the background
Email sent to EO/ECC/ICC with any potential hits for them to research

Implementation

- When preparing to implement automated screening review <u>all</u> potential users:
    - Contracts/Procurement
    - Program Managers
    - Engineers
    - Export/Import Office
    - Shipping/Traffic
- Notify and link to any easily accessible online tool for all users

What Goes Wrong?

- Don't know that parties need to be screened
  - Domestic parties
  - "Friendly" country parties (e.g. NATO)
- Users don't understand the reason for a "hit" and ignore potential issues
- Screen once and decide party is clear and do not re-screen at any other point
- Batch screening can provide multiple "false" hits and disregard the potential for new information on a party
  - LM is working with MSR on ways to reduce the number of false hits